

## **AGENCY REPORT**

**OR Petition 6: Mecklenburg Foot and Ankle Associates and Diabetic Foot Clinic, P.C.**

**OR Petition 7: Raleigh Orthopaedic Clinic**

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### **Petitioners**

OR Petition 6:

Mecklenburg Foot and Ankle Associates and  
Diabetic Foot Clinic, P.C.

Dr. Robert M. Liesman, F.A.C.F.A.S.

3535 Randolph Road

Randolph Building, Suite 107

Charlotte, NC 28211

OR Petition 7:

Karl Stein, Executive Director

Raleigh Orthopaedic Clinic

3515 Glenwood Avenue

Raleigh, NC 27612

### **Request**

OR Petition 6: The Petition requests an adjusted need determination in the 2008 State Medical Facilities Plan for one single-specialty Operating Room dedicated for podiatric surgery cases only for Mecklenburg County.

OR Petition 7: The Petition requests an adjusted need determination in the 2008 State Medical Facilities Plan for six dedicated orthopedic ambulatory Operating Rooms to be developed in one or more freestanding (non-hospital) ambulatory surgery centers in Wake County.

### **Background Information**

The Operating Room Need Methodology is based on reported surgical cases by type, i.e., inpatient cases and ambulatory/outpatient cases. The methodology incorporates a number of assumptions including: average case times for inpatient and for ambulatory procedures; average hours of operation; average days of operation per year; and anticipated percentage availability. These assumptions are intended to establish a baseline for projection of future operating room need. By their nature, "averages" do not match each individual facility's circumstances, but should be representative of general practices. The methodology also includes a "Growth Factor," linked to each service area's projected population change between the "data year" and the "target year" for need projections (*i.e., over a four-year period*).

During the spring of 2007, an Operating Room Methodology Work Group met four times and reviewed the methodology for projecting Operating Room need. One of the Work Group meetings included presentations made by interested parties who provided suggestions and recommendations on proposed changes to the methodology as well as their perspective on the adequacy of the methodology. The Work Group developed a set of recommendations at the last meeting. One of the Work Group's recommendations, to exclude facilities with chronically under utilized OR's from operating room need projections, was incorporated into the Proposed 2008 State Medical Facilities Plan.

In deference to the standard methodology, Chapter 2 of the Plan allows persons to petition for an adjusted need determination in consideration of "...unique or special attributes of a particular geographic area or institution..." if they believe their needs are not appropriately addressed by the standard methodology.

#### Analysis/Implications

To provide background, the operating room inventory, projected need and Year 2010 projected surpluses for Mecklenburg and Wake Counties (from Table 6B of the Proposed 2008 SMFP) are shown below:

COUNTY	INPATIENT OR'S	AMBULATORY OR'S	SHARED OR'S	DEDICATED C-SECTION OR'S (EXCLUDED)	TRAUMA/BURN OR'S (EXCLUDED)	CON, SETTLEMENT, PREVIOUS NEED ADJUSTMENTS	ADJUSTED PLANNING INVENTORY	YEAR 2010 PROJECTED SURPLUS
Mecklenburg	22	42	95	-12	-1	0	146	18.27
Wake	9	16	67	-5	-1	4	90	.79

In analyzing each of the petitions, the Agency noted differences in the issues raised and the rationale provided. However, common to both petitions and a salient point noted by the Agency, is each petitioner's request for a **single surgical specialty** adjusted need determination. Additionally, both petitions request **ambulatory surgery** operating rooms. Raleigh Orthopaedic Clinic explicitly requests ambulatory surgery operating rooms and Mecklenburg Foot and Ankle states on page 2 of their petition that the requested operating room would be "part of an ambulatory surgical center dedicated solely to podiatric surgery".

The current operating room methodology projects need for generic operating rooms, without regard to surgical specialty or type of setting. Consequently,

- Surgical utilization and operating room inventory data are collected and tracked in support of projecting need for generic operating rooms.
- There is no current mechanism for determining need for operating rooms for a particular surgical specialty or for a particular type of setting.

As to other issues raised by the petitions, the Agency wishes to highlight the following:

- Mecklenburg Foot and Ankle: Mecklenburg County's current operating room surplus is 18.72 OR's.
- Raleigh Orthopaedic Clinic: The petitioner contends that Wake County's four dedicated open-heart surgery operating rooms, located at WakeMed, are under utilized. Review of WakeMeds's 2007 Hospital License Renewal Application shows that 981 surgical cases were performed in the four dedicated open-heart surgery operating rooms from October 1, 2005-September 30, 2006. The table below shows projected Wake County operating room need from the Proposed 2008 SMFP (Column A.) and adjusted by excluding dedicated open-heart surgery operating rooms and cases (Column B.).

	A.	B.
	Proposed 2008 SMFP	Excluding 4 Dedicated Open Heart Surgery OR's and 981 Cases
Inpatient Cases	21029	20048
Estimated Hours for Inpatient Cases	63087	60144
Outpatient Cases	54931	54931
Estimated Hours for Outpatient Cases	82397	82397
Total estimated hours	145484	142541
Growth Factor	0.1479	0.1479
Projected Surgical Hours 2010	166999.51	163621.26
Inpatient OR's	9	5
Ambulatory OR's	16	16
Shared OR's	67	67
Dedicated C-Section OR's (excluded)	-5	-5
Trauma/Burn OR's (excluded)	-1	-1
CON, Settlement, Previous Need Adjustments	4	4
Adjusted Planning Inventory	90	86
Operating Rooms Required in 2010	89.21	87.40
Year 2010 Projected Surplus	-0.79	1.40

As the above table shows, excluding dedicated open heart surgery operating rooms and cases results in a projected 2010 need of 1.4 OR's for Wake County. The Agency concurs with Raleigh Orthopedic Clinic that Wake County's dedicated open-heart surgery rooms are underutilized.

**Agency Recommendation**

In consideration of the infeasibility of projecting need for single specialty operating rooms in a particular type of setting, the Agency recommends that the petitions be denied. The Agency encourages the petitioners to work with existing resources to maximize the efficient utilization of current surgical operating room capacity.

Further, the Agency recommends that the Acute Care Services Committee consider revising the methodology for projecting operating room need by excluding open-heart surgery operating rooms and cases from need determination projections.